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Terry Goddard Settles with Yellow Pages, Inc.

(Phoenix, Ariz. – April 25, 2006) Attorney General Terry Goddard today announced that Arizona and 26 other states have reached an agreement with California-based Yellow Pages, Inc., resolving solicitation and billing complaints against the company.

Yellow Pages, Inc. will pay \$535,000 to affected consumers and has agreed to modify its business practices. States will receive an average of \$19,800 of the reimbursement funds. Arizona's share will be \$10,000.

The settlement resolves allegations that the company sent unsolicited checks to businesses in amounts from \$2.30 to \$4. The purpose of the checks was to solicit advertising for its print and online publications. But the advertising solicitation was not conspicuous, and many businesses were not aware that endorsing and depositing the checks amounted to entering into a contract. The contracts called for payments of up to \$199 for an annual listing in the printed book or online directory at www.YellowPagesInc.com.

"People need to be on guard because these types of scams come in the mail all the time. You need to think twice about cashing an unsolicited check," Goddard said. "This settlement puts an end to this anti-consumer business practice, and provides restitution to those who unknowingly fell for this scam."

The settlement requires:

- Yellow Pages, Inc. to stop using "live check" solicitations.
- Yellow Pages, Inc. to cancel contracts with consumers who cashed one of the checks but didn't pay the invoice.
- Yellow Pages Inc. to pay restitution to those consumers who cashed the check and paid the subsequent invoice. Consumers can file a complaint with the Attorney

General's Office within the next 60 days. Complaint forms are available at www.azag.gov or by calling the Attorney General's Consumer Complaints and Information office in Phoenix at 602-542-5763; in Tucson at 520-628-6504 or outside Maricopa and Pima Counties at 1-800-352-8431. Complaints should contain the business or organization's name, address and telephone number, as well as the contact person at the organization.

 Yellow Pages, Inc.'s collection agency, Continental Recovery Service, to stop collections against those who deposited the checks. This company is not a party in this case.

In addition to Arizona, participating states include Alabama, Alaska, Arkansas, California, Delaware, Florida, Georgia, Idaho, Illinois, Kansas, Kentucky, Louisiana, Michigan, Minnesota, Mississippi, Montana, Nebraska, Nevada, New Jersey, North Dakota, Oregon, Pennsylvania, Tennessee, Texas, Washington and Wisconsin.

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